

QUICK FACTS



Medicare Rx Discount Card

This fact sheet is designed to help you assess available options. It does not imply endorsement of any option by the Washington State Office of the Insurance Commissioner or SHIBA HelpLine.

The Medicare Modernization Act set up new prescription drug benefits. Some begin in 2006. This handout lets you **quickly check your eligibility** for the “transitional benefits” available from June 2004 through December 2005.

Medicare Rx Discount Card Benefits

	The Discount Card	The \$600 Credit
Eligible if you:	<ul style="list-style-type: none"> Are enrolled in Medicare Part A or B 	<ul style="list-style-type: none"> Are enrolled in Medicare A or B Have income¹ less than: \$12,569 single, \$16,862 couple
Not eligible if you:	<ul style="list-style-type: none"> Are on Medicaid (unless you are in the Medically Needy spend-down phase) 	<ul style="list-style-type: none"> Get outpatient drug coverage through Medicaid, TRICARE² Employer, or Federal Employee Health Benefits Plan (FEHBP)
To apply:	<ul style="list-style-type: none"> Compare plans to see discounts on your drugs³ Check with your pharmacy Fill out card application and send to company 	<ul style="list-style-type: none"> Compare plans to see discounts on your drugs³ Check with your pharmacy Fill out enrollment form for the card + additional assistance (there is one application covering both)
You get:	<ul style="list-style-type: none"> 10-25% discount on drugs listed by that card 	<ul style="list-style-type: none"> \$600 credit⁴ toward drugs you buy³ during that calendar year. (You'll owe a co-pay of 5% or 10% per drug purchase, until you've used up your \$600 credit.⁵)
You pay for card:	<ul style="list-style-type: none"> Up to \$30 annual enrollment fee (if you switch cards⁶ mid-year, you pay a new fee, if the card has one) 	<ul style="list-style-type: none"> \$0. It's free.

Notes

- ¹ Medicare uses only your **income** (how much money you earn each month) to see if you qualify for the credit. Your **assets** don't count.
- ² VA eligibility is okay (does not disqualify you).
- ³ To get the discounts, the drugs you buy must be covered by your card. **Not all cards cover all drugs.** To compare cards, check the Prescription Drug Assistance Program (PDAP) at www.medicare.gov.
- ⁴ **There are ways to get help with drug costs after the \$600 credit is used up.** Get *Paying for Prescription Drugs* from SHIBA Helpline at www.insurance.wa.gov/consumers/shiba/default.asp or **call us** to get help in your town.
- ⁵ If you qualify for the \$600 credit, you may also be eligible for other assistance, including help with the Part B premium taken from your Social Security check. Check www.benefitscheckup.org or call SHIBA Helpline.
- ⁶ You can only switch cards during a limited period. You can buy any card offered in your state between May 2004 and December 2005. You can switch between November 15–December 31, 2004. The new card will begin in 2005. If you keep your original choice, your card is valid until Dec. 31, 2005 (as long as you pay its annual fee, if any).

Other Tips

- Some drug companies may offer free drugs to cardholders even after the \$600 credit is spent.
- If you have coverage with a Medigap H, I, or J plan, you can use the Medicare Rx card with those plans—even if yours is an employer retiree plan.
- If you already get good discounts on your drugs, the amount saved with a Medicare Rx card **may not** be worth the (up to \$30) fee.
- Not every card gives discounts on every drug; check which card gives the best prices on drugs *you* take.
- Not every pharmacy accepts every card; check with your pharmacy to see which they accept.
- If you are a member of a Medicare Advantage (formerly called Medicare + Choice) plan, your choice may be limited to the Medicare card(s) offered by your plan. Check with your plan.
- Watch out for fraud. Don't give out your Medicare or Social Security number, except on an official application. If you suspect fraud, call SHIBA Helpline.

SHIBA Helpline

Statewide Health Insurance Benefits
Advisors Helpline

1-800-397-4422

TDD: 1-360-664-3154

Expertly-trained volunteer counselors assist and advocate for consumers regarding **health insurance, health care access, and prescription access**. Individualized and group assistance offered in Washington communities statewide, educating on rights and options, private insurance, public programs, policies, billings, appeals, and more.

www.insurance.wa.gov/consumers/shiba/default.asp

Consumer Advocacy

Insurance Commissioner's
Toll-Free Hot Line

1-800-562-6900

TDD: 1-360-586-0241

Expert professional staff answer questions and educate consumers regarding problems with any kind of insurance or insurance company—**auto, life, disability, health, homeowner/tenant, or other**. Staff have the authority to investigate complaints against insurers and agents, and enforce insurance law on behalf of consumers.

www.insurance.wa.gov

All consumer protection services and resources are confidential, impartial, and offered free of charge to Washington state consumers of all ages.